



Billing code 6325-39-P

Office of Personnel Management

5 CFR Part 532

RIN 3206- AN85

Prevailing Rate Systems; Redefinition of Certain Nonappropriated Fund

Federal Wage System Wage Areas

AGENCY: Office of Personnel Management.

ACTION: Proposed rule.

SUMMARY: This rule proposes to amend the geographic boundaries of several nonappropriated fund (NAF) Federal Wage System (FWS) wage areas. Based on consensus recommendations of the Federal Prevailing Rate Advisory Committee (FPRAC), the Office of Personnel Management (OPM) proposes to define St. Joseph County, Indiana, as an area of application county to the Lake, Illinois, NAF FWS wage area; Greene County, Missouri, as an area of application county to the Leavenworth-Jackson-Johnson, Kansas, NAF FWS wage area; Lucas County, Ohio, as an area of application county to the Macomb, Michigan, NAF FWS wage area; and the municipality of Mayaguez, Puerto Rico, as an area of application county to the Guaynabo-San Juan, PR, NAF FWS wage area. These changes are necessary because NAF FWS employees are now working in these locations, but the locations are not currently defined to NAF wage areas. In addition, OPM is proposing to remove the municipalities of Ceiba, Isabela, Toa Baja, and Vieques, PR, and the U.S. Virgin Islands of St. Croix and St. Thomas, from the wage area definition of the Guaynabo-San Juan NAF wage area because there are no longer NAF FWS employees working in these locations.

DATES: Send comments on or before [INSERT DATE 30 DAYS AFTER DATE OF

PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments, identified by docket number and/or Regulatory Information Number (RIN) and title, by the following method:

- Federal Rulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

All submissions received must include the agency name and docket number or RIN for this document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing at <http://www.regulations.gov> as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: Madeline Gonzalez, by telephone at (202) 606-2838 or by email at *pay-leave-policy@opm.gov*.

SUPPLEMENTARY INFORMATION: OPM is issuing a proposed rule that would make changes to several NAF FWS wage area definitions. The Department of Veterans Affairs notified OPM that the Veterans Canteen Service (VCS) now employs NAF FWS employees in St. Joseph County, IN; Greene County, MO; Lucas County, OH; and the municipality of Mayaguez, PR. In addition, OPM is proposing to remove the municipalities of Ceiba, Isabela, Toa Baja, and Vieques, PR, and the U.S. Virgin Islands of St. Croix and St. Thomas, from the wage area definition of the Guaynabo-San Juan NAF FWS wage area because there are no longer NAF FWS employees working in these locations.

Under § 532.219 of title 5, Code of Federal Regulations (CFR), each NAF wage area “shall consist of one or more survey areas, along with nonsurvey areas, if any, having nonappropriated fund employees.” St. Joseph, Greene, and Lucas Counties, and the municipality of Mayaguez, PR, do not meet the regulatory criteria under 5 CFR 532.219 to be established as

separate NAF wage areas; however, nonsurvey counties may be combined with a survey area to form a wage area. Section 532.219 lists the regulatory criteria that OPM considers when defining FWS wage area boundaries. This regulation allows consideration of the following criteria: proximity of largest facilities activity in each county, transportation facilities and commuting patterns, and similarities of the counties in overall population, private employment in major industry categories, and kinds and sizes of private industrial establishments.

OPM recently completed reviews of the definitions of St. Joseph, Greene, and Lucas Counties, and the municipality of Mayaguez, and is proposing the changes described below. FPRAC, the national labor-management committee responsible for advising OPM on matters concerning the pay of FWS employees, recommended these changes by consensus. These changes would apply on the first day of the first applicable pay period beginning on or after 30 days following publication of the final regulations.

Lake, IL, NAF FWS Wage Area

St. Joseph County, IN, would be defined as an area of application to the Lake, IL, NAF FWS wage area. The proximity criterion favors the Lake wage area. The transportation facilities and commuting patterns criterion does not favor one wage area more than another. The overall population, employment sizes, and kinds and sizes of private industrial establishments criterion does not favor one wage area more than another. While a standard review of regulatory criteria shows mixed results, the proximity criterion solidly favors the Lake wage area.

With the definition of St. Joseph County to the Lake NAF wage area, the Lake wage area would consist of 1 survey county (Lake County, IL) and 10 area of application counties (Cook, Rock Island, and Vermilion Counties, IL; Johnson County, IA; St. Joseph County, IN; Dickinson

and Marquette Counties, MI; and Brown, Dane, and Milwaukee Counties, WI).

Leavenworth-Jackson-Johnson, KS, NAF FWS Wage Area

Greene County, MO, would be defined as an area of application county to the Leavenworth-Jackson-Johnson, KS, NAF FWS wage area. Although the proximity criterion does not favor one wage area more than another, the closest survey area to Greene County is the Leavenworth-Jackson-Johnson wage area. The transportation facilities and commuting patterns criterion does not favor one wage area more than another. The overall population, employment sizes, and kinds and sizes of private industrial establishments criterion does not favor one wage area more than another. Based on this analysis, we recommend that Greene County be defined to the Leavenworth-Jackson-Johnson wage area.

With the definition of Greene County to the Leavenworth-Jackson-Johnson NAF wage area, the Leavenworth-Jackson-Johnson wage area would consist of three survey counties (Leavenworth County, KS; and Jackson and Johnson Counties, MO) and five area of application counties (Shawnee County, KS; and Boone, Camden, Cass, and Greene Counties, MO).

Macomb, MI, NAF FWS Wage Area

Lucas County, OH, would be defined as an area of application county to the Macomb, MI, NAF FWS wage area. The proximity criterion favors the Macomb wage area. The transportation facilities and commuting patterns criterion does not favor one wage area more than another. The overall population, employment sizes, and kinds and sizes of private industrial establishments criterion does not favor one wage area more than another. While a standard review of regulatory criteria shows mixed results, the proximity criterion solidly favors the Macomb wage area.

With the definition of Lucas County to the Macomb NAF wage area, the Macomb wage

area would consist of 1 survey county (Macomb County, MI) and 14 area of application counties (Alpena, Calhoun, Crawford, Grand Traverse, Huron, Iosco, Kent, Leelanau, Ottawa, Saginaw, Washtenaw, and Wayne, MI; and Lucas and Ottawa Counties, OH).

Guaynabo-San Juan, PR, NAF FWS Wage Area

The municipality of Mayaguez, PR, would be defined as an area of application county to the Guaynabo-San Juan, PR, NAF FWS wage area. The Guaynabo-San Juan wage area is the only NAF wage area in Puerto Rico. VCS #373 in the Mayaguez Outpatient Clinic is located approximately 92 miles from Fort Buchanan, the wage area's host activity.

The municipalities of Ceiba, Isabela, Toa Baja, and Vieques, PR, and the U.S. Virgin Islands of St. Croix and St. Thomas would be removed from the area of application of the Guaynabo-San Juan wage area. No NAF FWS employment has been reported in the municipalities of Ceiba, Isabela, Toa Baja, and Vieques since 2009 nor in the U.S. Virgin Islands of St. Croix and St. Thomas since the closure of Army and Air Force Exchange Service (AAFES) stores in 2012 and 2015, respectively. NAF employers have no plans to establish activities in these locations in the future. Under 5 U.S.C. 5343(a)(1)(B)(i), NAF wage areas "shall not extend beyond the immediate locality in which the particular prevailing rate employees are employed." Therefore, the municipalities of Ceiba, Isabela, Toa Baja, and Vieques and the U.S. Virgin Islands of St. Croix and St. Thomas should not be defined as part of an NAF wage area.

With the definition of the municipality of Mayaguez to the Guaynabo-San Juan NAF wage area and the removal of the municipalities of Ceiba, Isabela, Toa Baja, and Vieques and the U.S. Virgin Islands of St. Croix and St. Thomas from the Guaynabo-San Juan NAF wage area, the Guaynabo-San Juan wage area would consist of two survey municipalities (Guaynabo and

San Juan) and five area of application municipalities (Aguadilla, Bayamon, Mayaguez, Ponce, and Salinas).

Regulatory Impact Analysis

This action is not a “significant regulatory action” under the terms of Executive Order (EO) 12866 (58 FR 51735, October 4, 1993) and is therefore not subject to review under EO 12866 and 13563 (76 FR 3821, January 21, 2011)

Reducing Regulation and Controlling Regulatory Costs

This proposed rule is not expected to be subject to the requirements of EO 13771 because this proposed rule is not significant under EO 12866.

Regulatory Flexibility Act

OPM certifies that this rule will not have a significant economic impact on a substantial number of small entities because they will affect only Federal agencies and employees.

Federalism

We have examined this rule in accordance with Executive Order 13132, Federalism, and have determined that this rule will not have any negative impact on the rights, roles and responsibilities of State, local, or tribal governments.

Civil Justice Reform

This regulation meets the applicable standard set forth in Executive Order 12988.

Unfunded Mandates Act of 1995

This rule will not result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Congressional Review Act

This action pertains to agency management, personnel, and organization and does not substantially affect the rights or obligations of nonagency parties and, accordingly, is not a “rule” as that term is used by the Congressional Review Act (Subtitle E of the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA)). Therefore, the reporting requirement of 5 U.S.C. 801 does not apply.

Paperwork Reduction Act

This rule does not impose any new reporting or record-keeping requirements subject to the Paperwork Reduction Act.

List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Freedom of information, Government employees, Reporting and recordkeeping requirements, Wages.

Office of Personnel Management.

Alexys Stanley,
Regulatory Affairs Analyst.

Accordingly, OPM is proposing to amend 5 CFR part 532 as follows:

PART 532--PREVAILING RATE SYSTEMS

1. The authority citation for part 532 continues to read as follows:

Authority: 5 U.S.C. 5343, 5346; § 532.707 also issued under 5 U.S.C. 552.

2. Appendix D to Subpart B is amended by revising the wage area listing for the Lake, IL; Leavenworth-Jackson-Johnson, KS; Macomb, MI; and Guaynabo-San Juan, PR, wage areas to read as follows:

Appendix D to Subpart B of Part 532—Nonappropriated Fund Wage and Survey Areas

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ILLINOIS

Lake

Survey Area

Illinois:

Lake

Area of Application. Survey area plus:

Illinois:

Cook

Rock Island

Vermilion

Indiana:

St. Joseph

Iowa:

Johnson

Michigan:

Dickinson

Marquette

Wisconsin:

Brown

Dane

Milwaukee

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KANSAS

Leavenworth-Jackson-Johnson

Survey Area

Kansas:

Leavenworth
Missouri:
Jackson
Johnson

Area of Application. Survey area plus:

Kansas:
Shawnee
Missouri:
Boone
Camden
Cass
Greene

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MICHIGAN

Macomb

Survey Area

Michigan:
Macomb

Area of Application. Survey area plus:

Michigan:
Alpena
Calhoun
Crawford
Grand Traverse
Huron
Iosco
Kent
Leelanau
Ottawa
Saginaw
Washtenaw
Wayne
Ohio:
Lucas
Ottawa

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PUERTO RICO

Guaynabo-San Juan

Survey Area

Puerto Rico:
Guaynabo
San Juan

Area of Application. Survey area plus:

Puerto Rico:
Aguadilla
Bayamon
Mayaguez
Ponce
Salinas

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